

***Snohomish Health District
Board of Health Minutes
Regular Meeting
November 9, 2011***

Members Present

Adrienne Fraley-Monillas, Councilwoman, Edmonds
Karen Guzak, Mayor, Snohomish
John Koster, County Councilman
Mark Lamb, Mayor, Bothell, Chair
Drew Nielsen, Councilman, Everett
Michelle Robles, Councilwoman, Mountlake Terrace
Jim Smith, Councilman, Lynnwood
Dave Somers, County Councilman, Vice Chair
Brian Sullivan, County Councilman
Dianne White, Mayor, Stanwood
Donna Wright, Councilwoman, Marysville
Stephanie Wright, County Councilwoman

Members Absent

Patsy Cudaback, Councilwoman, Monroe
Dave Gossett, County Councilman
Linda Grafer, Councilwoman, Mukilteo

Others Present

John Amos, Snohomish County Council
Judy Chapman, SHD Finance System Accountant
Jeff Clarke, SHD Deputy Director
Randy Darst, SHD Environmental Health Division Director
Nancy Furness, SHD Special Assistant for Public Health and Emergency Preparedness
Gary Goldbaum, MD, SHD Health Officer and Director
Jamie Gravelle, Public Health Advisory Council Chair
Tim McDonald, SHD Communicable Disease Division Director
Brenda Newell, SHD HIV/AIDS Program Manager
Suzanne Pate, SHD Communications Specialist
Kathy Perkins, SHD Communicable Disease Division Counselor/Educator
Don Peterson, SHD Business Manager
Teresa Quigley, SHD Administration Specialist
Glen Svendsen, Snohomish County Finance
Kelly Sylliaasen, SHD Vaccine Coordinator
Barbara Taylor, SHD Financial Analyst
Steve Uberti, SHD Legal Counsel
Michael Whitney, Everett Tribune
Karen Winchell, SHD Communicable Disease Division Public Health Nurse

Call to Order

The regular monthly meeting of the Board of Health was convened at 3:00 p.m. by Chair Lamb in the Board Room of the Snohomish Health District Rucker Building. Roll call was taken by Teresa Quigley, who reported there was a quorum was present.

Chair's Report

The annual Board of Health dinner meeting has not been held the past several years in order to save Health District resources. Following discussion, it was agreed to hold an annual dinner meeting in January of 2012 at the Board members' expense. Staff will start planning for that meeting.

Karen Winchell presented the Employee of the Quarter Award for the fourth quarter of 2011 to Kathy Perkins, Communicable Disease Counselor/Educator. As a one-member team, Kathy helps protect injection drug users from hepatitis A, B and C infection and HIV through testing and education. She helps reduce the burden of disease in the County through her outreach in places such as the jail, men's mission, needle exchange and juvenile detention, as well as clients' homes if necessary. Kathy truly connects with this population and develops trusting relationships with her clients. In addition, she's always available to assist the Communicable Disease Surveillance and Response Program with acute hepatitis cases and is a wonderful resource of current hepatitis information for all staff at the Health District. Kathy never turns anyone away and is always willing to take the time to educate and assist in whatever way possible. Kathy is public health at its best: kind, caring, knowledgeable, skilled and passionate. Dr. Goldbaum and Chair Lamb congratulated Kathy on behalf of the full Board.

Health Officer's Report

Monthly Report. Dr. Goldbaum reported on the escalation of pertussis reports in Snohomish County and the Health District's efforts in partnership with the medical community to assure that everyone is vaccinated.

Dr. Goldbaum introduced Jamie Gravelle, former Board of Health member and current Chair of the Public Health Advisory Council. The Board established the Council in 2009, and they began meeting in February 2010. Although Dr. Goldbaum has occasionally reported to the Board on the Council's deliberations, Jamie will now be providing a regular progress report to the Board of Health, which can provide feedback to the Council.

Minutes

It was moved by Ms. White and seconded by Ms. Robles to approve the minutes of the regular meeting held October 11, 2011. The motion carried unanimously.

Public Comment

There was no public comment.

Committee Reports

Mr. Smith reported on the October 31 Administration Committee meeting. Ms. Robles reported on the October 21 Program Policy Committee meeting. Also included in today's meeting packet were the monthly standing reports. There were no questions regarding these reports.

Consent Agenda

It was moved by Ms. Fraley-Monillas and seconded by Mr. Nielsen to approve the following items: a) Resolution 11-30, authorizing October 2011 expenditures for Health District, AIDS and PHEPR funds; b) South Snohomish County Commission for Health Farm to School grant proposal; c) State Department of Ecology Site Hazard Assessment grant; and d) State Department of Health quality improvement grant. The motion carried unanimously.

Action Agenda

Approval of 2012-2013 Tuberculosis Physician agreement. The Board was provided with a renewal Limited Medical Service Consultant Agreement with Dr. Christopher Spitters for January 1, 2012 through December 31, 2013. Jeff Clarke advised that Dr. Spitters is an expert in this area and serves a similar role in other jurisdictions. He has capably served the Health District in this role since 2001. There are no changes in the new agreement, including compensation. It was noted that Dr. Spitters served as the Deputy Health Officer at the Health District from 1994-1999. The Administration Committee has reviewed and approved this renewal agreement. It was moved by Mr. Smith and seconded by Ms. Stephanie Wright to approve the 2012-2013 Tuberculosis Physician agreement with Dr. Christopher Spitters. The motion carried unanimously.

Approval of Resolution 11-31, approving revised Snohomish Health District Purchasing Policy. The Snohomish Health District Purchasing Policy was last amended in 2002. This policy is a companion document to the Snohomish Health District Division of Responsibilities document that will be discussed later in the agenda, and sets thresholds of authority for District management to make expenditure decisions with or without approval by the Board of Health. Inflation since 2002 has significantly increased the cost of purchases and contracts, and staff is recommending that the limits on Health Officer and Deputy Director Authority be raised accordingly. Jeff Clarke reviewed components of the revised Purchasing Policy, including Formal Bids/Proposals, Written Bids, Verbal Bids and Exceptions, along with a resolution of approval. The minimum purchase amount requiring formal bids/proposals has been increased from \$30,000 to \$50,000. Health Officer or Deputy Director approval of contracts, leases or purchases (including vehicles) has been increased from \$30,000 to \$50,000, and approval of emergency building repair expenditures has been raised from \$75,000 to \$100,000. Anything above these limits must be approved by the Board of Health. The Program Policy Committee previously reviewed the corresponding portion of the Responsibilities document and agreed with recommended changes. The Administration Committee reviewed and approved the Purchasing Policy. It was moved by Ms. White and seconded by Mr. Koster to approve Resolution 11-31, approving the revised Snohomish Health District Purchasing Policy. The motion carried unanimously.

Approval of Resolution 11-32, supporting Washington State Secure Medicine Return Program. In 2009, the Board of Health passed a resolution supporting a Washington State Secure Medicine Return Program to reduce the public health and environmental health impacts of unwanted prescribed medicines and controlled substances. Current bills before the legislature (SSB 5234 and HB1370) require pharmaceutical producers to provide and pay for a cost-effective medicine return program for the safe and secure collection and destruction of unwanted medications from households. It would be capped at \$2.5 million a year statewide. Snohomish County is one of a few counties in the state that currently have an aggressive take back program. This concept was reviewed and approved by the Program Policy Committee. Following discussion, it was moved by Ms. Robles and seconded by Ms. Fraley-Monillas to approve Resolution 11-32, supporting the Washington State Secure Medicine Return Program - SSB 5234/HB 1370. The motion carried unanimously

Discussion Items

Snohomish Health District Division of Responsibilities document. The Board of Health is responsible for setting Health District budget and policy, but must balance oversight against managing operations. The Health District's leadership is responsible for implementing Board decisions, but must have the authority to assure effective and efficient operations. In August, Chair Lamb recommended and the Board concurred that a Board of Health protocol manual be developed that would clearly define the respective roles and responsibilities of the Board and Health District leadership, as well as when leadership should consult with the Board. Models from other local health jurisdictions were used to draft a protocol.

Board members were provided with a draft Snohomish Health District Division of Responsibilities document that outlines in detail the areas of Organization, Expenditures, Revenues and Labor Relations and addresses clear roles of the Board of Health and Health District leadership. The Program Policy Committee previously reviewed this draft and recommended changes in the Expenditures and Revenues areas that are included in the current draft. The Administration Committee also reviewed and approved the changed draft. At today's meeting, Jeff Clarke presented the draft document and a resolution adopting the Responsibilities document. Considerable discussion was held, with input from all Board members, regarding the Responsibilities document and further changes recommended. Mr. Gossett, who was unable to attend these meetings, had provided his concerns before today's meeting. This item will be placed on the December Administration Committee and Board of Health meeting agendas for further discussion and potential action.

2012 Budget. Jeff Clarke provided an overview of the proposed 2012 Budget, which includes the General Fund at \$16,345,000 and the PHEPR Fund at \$741,000. It is being proposed that remaining funds of approximately \$127,000 from the dissolved Region 3 AIDS Fund be absorbed into the General Fund in 2012. District staffing has shrunk by 8 FTEs since 2011; however, no reductions are proposed in 2012. Grant revenue from a number of sources is declining, and other funding remains uncertain, especially from the state and federal government. The fund balance is healthier than a year ago.

Jeff Clarke went over several changes in revenues and expenditures since the October Board meeting, including: Board approved Environmental Health fee increase of \$176,000 per year; new State Department of Health quality improvement grant of \$10,000; food inspection technology upgrade at a cost of \$27,000; 5% cut in supplies and services for a savings of \$122,000; delay of painting the Rucker Building for a capital savings of \$40,000; and correction of a staffing error for an increase of \$16,000. Overall, revenues are amounting to \$16,510,544 in 2012 (6.8% down from 2011), and expenditures are \$16,344,517 (6.1% down from 2011). At this point, there is a proposed budget surplus of \$166,027.

The County is considering a \$100,000 reduction in 2012 funding for the Health District. Governor Gregoire has identified potential cuts that would eliminate 5930 funding of \$375,000 and Maternity Support Serviced funding by 50% or \$175,000 for the District. For planning purposes, a loss of \$650,000 in funding is being included in the 2012 Budget.

In order to work toward balanced budgets without cutting programs or staff, Jeff Clarke and Dr. Goldbaum are recommending for Board consideration 1.75% or \$244,000 in under budgeting of salaries and benefits in 2012. Historically, the Health District has spent 90-97% of budgeted salaries and benefits, and it is common practice in government organizations to under budget to be more realistic, since resignations, lags in filling positions, and staff taking leave without pay all reduce spending. Also being recommended is a long-range three-year plan for use of fund balance. In July, the Board approved maintenance of a \$2 million minimum fund balance for planning purposes. The 2011 yearend fund balance is projected at \$5 million, following several years of decline. That means the District will start 2012 with close to \$3 million in funds above the minimum level. Given the level of uncertainty about state and federal funding sources, continued volatility in the economy, and the likelihood that regional and national economy recovery will be a slow and long-term process, staff believes that this sum should be used to help absorb revenue cuts over a longer period, and not used up in a single year. In order to maintain existing programs and staffing to the extent possible, it is being recommended that a three-year strategy be employed, so that no more than \$1 million in fund balance would be used in each of the next three years. To begin this plan, the fund balance level in 2012 would be maintained at \$4 million. With a current projection of use of \$240,000 in fund balance in 2012, \$760,000 would be available for unforeseen expenses or revenue reductions. The Board would be kept apprised throughout the year of use of fund balance.

In summary, staff are recommending for the 2012 Budget that the Board of Health: approve absorption of the HIV/AIDS Fund into the General Fund as of January 1, 2012; assume 1.75% under spending of salaries; approve the modified General Fund Budget amount, including the under spending; approve the proposed PHEPR Budget of \$741,000; set 2012 fund balance limit at \$4 million as policy. Following discussion, the Board generally concurred with these recommendations. The final 2012 Budget will be brought to the December Administration Committee and full Board of Health for discussion and approval.

Information Items

A calendar for scheduled meetings in November and December was provided to Board members in their packets.

Executive Session

At 4:28 p.m. the Board went into Executive Session for 25 minutes to discuss labor negotiations. At 4:53 p.m. the meeting reconvened.

Other Business

No other business was held.

Adjournment

The meeting was adjourned at 4:54 p.m.

Mark Lamb, Chair

Gary Goldbaum, M.D., M.P.H., Secretary